

REMARKS

Claims 1-20 are pending in the application. Claims 1-20 have been rejected. Claims 15 and 18 have been objected to.

Claims 15 and 18 were objected to because of informalities. The term 'compute' should be replaced with 'computer.' This has been done by amendments to the claims above. Withdrawal of these claims is requested.

Claims 1-20 were rejected under 35 USC § 102(b) as being anticipated by Vaziri et al. (WO 98/37665).

Vaziri teaches the use of an Internet Switch Box (ISB) attached to a phone, either inside or outside a cabinet, which allows users to provide a signal to it to disconnect a PSTN call and initiate a data network call. The ISB only operates upon initiation by the user and performs several of the functions referred to in the Vaziri text at Figure 5.

In contrast, the instant invention is related to a method and a phone that performs those functions automatically, without any intervention by the user. The destination phone is detects the incoming call and initiates the network call, not the user through a signal to an ISB as in Vaziri. In addition, the phone is performing this functionality, not a distinct piece of hardware. Whether the ISB in Vaziri is incorporated into the same base as a phone or a separate piece of hardware, it is still a hardware entity separated from the phone. In the instant invention, in the embodiments where the phone is a customized telephone, there is no extra hardware involved. The *phone* is not performing the functions in Vaziri, the ISB is. Further, in the embodiments of the instant invention where the phone is a personal computer, Vaziri specifically teaches away from a personal computer. See page 4, lines 10 and 11 of Vaziri.

With regard to the claims, claim 1 has been amended to clarify the instant invention over the prior art. Vaziri does not teach identifying a caller identifier for the PSTN call at the destination phone. See page 24, lines 11 and 12 of Vaziri. This amendment is supported in the specification at page 3, lines 9-11, as an example.

Vaziri also does not teach that the call is rejected prior to completion. In Vaziri, the entire process depends upon the users agreeing to switch and then activating their respective ISBs. See Vaziri, page 24, lines 8-11. In contrast the instant invention as claimed rejects the PSTN call prior to it being completed. See the specification, page 3, lines 13-15, as an example.

In addition, Vaziri does not teach that a call to the data network service provider is made from the destination phone, but that the ISB makes that call. See Vaziri, page 24, lines 10 and 11. In contrast, the destination phone places the call to the network service provider, as amended in claim 1. See the specification, page 3, lines 15-16.

Therefore it is submitted that claim 1 is patentably distinguishable over the prior art and allowance of this claim is requested.

Claims 2-5 depend from claim 1 and should be ruled allowable for that reason and for their own merits. With regard to claim 2, Vaziri does not teach that the destination phone is a personal computer, but that a personal computer may be used as a help desk to program the ISB over the phone line. See pages 40-42 and Figures 9, 9A, 12 and 13. Vaziri does not teach that the destination phone rejects the PSTN call prior to completion, as discussed above, much less that the destination phone is a personal computer.

With regard to claim 3, Vaziri does not teach that the ISB is a customized telephone, but that the hardware of an ISB can be placed inside the same casing as a telephone. The customized telephone, as that term is defined in the specification, does not have any additional hardware.

With regard to claim 4, Vaziri does not teach that the call to the network service provider is made by the destination phone via the PSTN, but that the ISB makes that call.

With regard to claim 5, Vaziri does not teach that the call to the network service provider is made by the destination phone via a LAN, but that the ISB makes the call.

Therefore, it is submitted that claims 2-5 are patentably distinguishable over the prior art and allowance of these claims is requested.

Claim 6 is patentably distinguishable over the prior art for the reasons as applied to claim 1, except that many of the processes performed by the destination phone are performed instead by the origination phone. The detection of the rejected call is made prior to completion of the call, see the specification at page 3, line 30 through page 4, line 2. The call to the network service provider is made by the origination phone, not an ISB, see the specification at page 4, lines 1-5. Therefore, it is submitted that claim 6 is patentably distinguishable over the prior art and allowance of this claim is requested.

Claims 7-10 depend from claim 6 and should be ruled allowable for that reason and for their own merits. With regard to claim 7, the reference to Vaziri, page 42, line 17 is used to show both a destination phone and the origination phone. It must be one or the other. In addition, as discussed above, the use of the personal computer is not as an origination phone or a destination phone, but as a means for a help desk to assist a user with their ISB. It is

submitted that claim 7 is patentably distinguishable over the prior art and allowance of this claim is requested.

It is submitted that claims 8, 9 and 10 are patentably distinguishable over the prior art for the reasons as applied to claims 3, 4 and 5, respectively, except that the limitations are applied to the origination phone instead of the destination phone, neither of which is shown by the prior art. Allowance of these claims is requested.

With regard to claim 11, Vaziri does not teach a network phone having a phone connector operable to connect to a PSTN. Connector 406, referred to in the office action is "telephone jack 404 for connection to the telephone 212," and the ISB 404 also has a "telephone jack 406 for connection to telephone line 212." Therefore, Vaziri does not teach a *network phone*. Further, component 2B15 is set forth as being both a detector for receiving a call from another station and to detect supplementary signals. Component 2B15 is referred to as a telephony interface. See page 18, line 14 of Vaziri. There is no indication that this is capable of detecting supplementary signals. In addition, the telephony interface and the connector are part of the ISB, not a phone. The ISB detects the caller identifier, although it is never set forth how, as the complete description of component 2B15 is set forth above. Regardless, the detector is not part of the phone, but part of the ISB. It is therefore submitted that claim 11 is patentably distinguishable over the prior art and allowance of this claim is requested.

Claims 12 and 13 depend from claim 11 and should be ruled allowable for that reason and for their own merits. As discussed above, the ISB is a separate piece of hardware in Vaziri. It is not part of a network phone, with that phone be a customized telephone or a PC. It is therefore submitted that claims 12 and 13 are patentably distinguishable over the prior art and allowance of all claims is requested.

It is submitted that claims 14-16, having the same amendments as claims 1-3, are patentably distinguishable over the prior art for the reasons as applied to claims 1-3 and allowance of these claims is requested.

It is submitted that claims 17-19, having the same amendments as claims 6-8, are patentably distinguishable over the prior art for the reasons as applied to claims 6-8 and allowance of these claims is requested.

It is submitted that claim 20 is patentably distinguishable over the prior art for the reasons as applied to claim 11. Allowance of this claim is requested.

The prior art made of record and not relied upon has been reviewed and is not considered pertinent to Applicant's disclosure. No new matter has been added by this

amendment. Allowance of all claims is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

Respectfully submitted,

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